

FIRST CLASS FUNDS

Information and analysis to help you make the best choices

The list contains funds, sorted by sector, based on our own analytical process and work done by some of the world's leading investment analysts and providers of financial statistics. The list will be updated quarterly and is entirely independent. All funds are available at NO INITIAL CHARGE for an ISA except those marked *. Details of discounts on all funds, including investments outside an ISA, are available on our website or by contacting us.

ISSUED JANUARY 2012

Absolute Return

Newton Real Return
Standard Life Inv Global Absolute Return Strategies

Asia Pacific Excluding Japan

Aberdeen Asia Pacific*
First State Asia Pacific Leaders
HSBC Pacific Index
Invesco Perpetual Asian
Investec Asia Ex Japan
Newton Asian Income
Newton Oriental
Schroder Asian Alpha Plus

Asia Pacific Including Japan

Aberdeen Asia Pacific & Japan*

Europe Excluding UK

BlackRock Continental European
BlackRock European Dynamic
Fidelity European Opportunities
Henderson European Growth
Henderson European Selected Opportunities
Jupiter European
Jupiter European Special Situations
Neptune European Opportunities
Schroder European Alpha Plus
Threadneedle European

European Smaller Companies

Baring Europe Select
Threadneedle European Smaller Companies
Threadneedle Pan European Smaller Companies

Flexible Investment

Jupiter Merlin Growth Portfolio
M&G Managed Growth
Neptune Global Alpha

Global

Aberdeen World Equity*
BNY Mellon Long Term Global Equity
First State Global Listed Infrastructure
First State Global Resources
Jupiter Merlin Worldwide Portfolio
M&G Global Basics
M&G Global Dividend
Newton International Growth
Rathbone Global Opportunities

Global Bonds

Franklin Templeton Templeton Global Total Return Bond
Newton Global Dynamic Bond
Newton International Bond
Old Mutual Global Strategic Bond

Global Emerging Markets

Aberdeen Emerging Markets*
First State Global Emerging Markets Leaders

Global Equity Income

Aberdeen World Growth & Income*
Newton Global Higher Income
Threadneedle Global Equity Income

Japan

GLG Japan Core Alpha
Jupiter Japan Income
Schroder Tokyo

Mixed Investment 20%-60% Shares

Invesco Perpetual Distribution
Investec Cautious Managed
Jupiter Merlin Income Portfolio

Mixed Investment 40%-85% Shares

AXA Framlington Managed Balanced
Jupiter Merlin Balanced Portfolio

North America

HSBC American Index
Jupiter North American Income
Schroder US Mid Cap
Threadneedle American
Threadneedle American Select
UBS US Growth

North America Smaller Companies

Schroder US Smaller Companies*

Specialist

JPM Natural Resources
M&G Global Convertibles*

Sterling Corporate Bond

Fidelity Moneybuilder Income
Invesco Perpetual Corporate Bond
Kames Investment Grade Bond
Legal & General Fixed Interest
Legal & General Managed Monthly Income
M&G Corporate Bond
M&G Strategic Corporate Bond
Royal London Corporate Bond
Standard Life Inv AAA Income
Standard Life Inv Corporate Bond

Sterling High Yield

Kames High Yield Bond
Threadneedle High Yield Bond

Sterling Strategic Bond

Artemis High Income
Fidelity Extra Income
Fidelity Strategic Bond
Henderson High Yield Monthly Income
Henderson Strategic Bond
Invesco Perpetual Monthly Income Plus
Jupiter Strategic Bond
Kames Strategic Bond
Legal & General Dynamic Bond
M&G Optimal Income

UK All Companies

Artemis UK Special Situations
Aviva Inv UK Equity
AXA Framlington UK Select Opps
BlackRock UK Special Situations
F&C UK Alpha
Franklin Templeton Franklin UK Mid Cap*
GAM UK Diversified
Invesco Perpetual UK Growth
Investec UK Special Situations
JOHCM UK Opportunities
Jupiter UK Special Situations
Kames Ethical Equity
Legal & General UK Alpha
Legal & General UK Index
M&G Recovery
Newton UK Opportunities
Schroder UK Alpha Plus
Standard Life Inv UK Ethical

UK Equity Income

Artemis Income
Aviva Inv UK Equity Income
AXA Framlington Equity Income
AXA Framlington Monthly Income
BlackRock UK Income
Invesco Perpetual High Income
Invesco Perpetual Income
Invesco Perpetual UK Strategic Income
PSigma Income*
Threadneedle UK Equity Income

UK Gilt

M&G Gilt & Fixed Interest Income
Royal London UK Government Bond
Standard Life Inv UK Gilt

UK Smaller Companies

Artemis UK Smaller Companies
Investec UK Smaller Companies
Schroder UK Smaller Companies
Standard Life Inv UK Smaller Companies*

This list is the result of applying our First Class Funds process to the UK Fund Retail Unit Trust and OEIC universe. It is not intended to be a list of recommendations. More information about our process is contained in our First Class Funds brochure which is available on request. If you are unsure about the suitability of any of these funds you should take professional financial advice.

A fund highlighted in green is a new entry to the list this quarter.

The list is based on information at 31st December 2011 and will be updated quarterly.

Factsheets for all funds are available at www.financialdiscounts.com or by post, on request.

The January update of our First Class Funds list sees 21 funds disappear and welcomes 19 new additions. Poor fund performance counts for the majority of those funds leaving the list this quarter. The Standard Life Inv UK Smaller Companies fund remains on the list though it has been 'soft-closed' with the imposition of a mandatory 4% initial charge for new investments.

Some Sector names have changed:

Cautious Managed becomes Mixed Investment (20% to 60% shares)

Balanced Managed becomes Mixed Investment (40% to 85% shares)

Active Managed becomes Flexible Investment

Funds Added To Previous List

Aberdeen World Growth & Income	Rating Agency Upgrade
AXA Framlington Equity Income	Performance Upgrade
AXA Framlington Managed Balanced	Performance Upgrade
AXA Framlington Monthly Income	Performance Upgrade
Fidelity European Opportunities	Performance Upgrade
First State Global Listed Infrastructure	Rating Agency Upgrade
Henderson High Yield Monthly Income	Rating Agency Upgrade
Henderson Strategic Bond	Rating Agency Upgrade
HSBC Pacific Index	Performance Upgrade
Jupiter Strategic Bond	Rating Agency Upgrade
Kames Ethical Equity	Performance Upgrade
Kames High Yield Bond	Rating Agency Upgrade
M&G Global Basics	Performance Upgrade
M&G Global Convertibles	Rating Agency Upgrade
M&G Global Dividend	Rating Agency Upgrade
Rathbone Global Opportunities	Performance Upgrade
Standard Life Investments UK Ethical	Performance Upgrade
Threadneedle High Yield Bond	Rating Agency Upgrade
UBS US Growth	Passed 3 Year Anniversary

Funds Removed From Previous List

Aviva Inv European Equity	Performance Downgrade
BlackRock Corporate Bond	Rating Agency Downgrade
BlackRock Gold & General	Performance Downgrade
BlackRock UK Absolute Alpha	Performance Downgrade
Cazenove European	Performance Downgrade
Fidelity South East Asia	Performance Downgrade
Henderson Cautious Managed	Performance Downgrade
HSBC FTSE 100 Index	Performance Downgrade
HSBC FTSE All Share Index	Performance Downgrade
Investec Global Energy	Performance Downgrade
JOHCM UK Equity Income	Performance Downgrade
Jupiter Financial Opportunities	Performance Downgrade
Legg Mason US Smaller Companies	Performance Downgrade
LV= UK Corporate Bond	LV Merged With Threadneedle
M&G Cautious Multi Asset	Performance Downgrade
Neptune Balanced	Performance Downgrade
Neptune Global Equity	Performance Downgrade
Neptune Income	Performance Downgrade
Newton Balanced	Performance Downgrade
Thames River Distribution	Performance Downgrade
Thames River Global Boutiques	Performance Downgrade

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